

FSA 2003 ANNUAL PLAN

Prior ity #	FSA ID No.	MIT No.	Dept Stg Plan No.	High Risk Plan	Sys Int Plan	ACTION ITEMS	RESP PERS	RESP AREA	BUSINESS NEED	SUCCESS MEASURES	COMPLETION DATE	Objectives				
												1- FSA Systems Integration and Technology Solution Initiatives	2 - Improve Program Integrity	3 - Reduce Cost	4 - Improve Human Capital Management	5 - Improve Products and Services
1	1	19		HR1		Obtain a clean audit opinion on FSA’s financial statements	Bateman	CFO	Meet government-wide accounting and financial management requirements issued by Federal Accounting Standards Advisory Board (FASAB), OMB, and Treasury.	Receive Department-wide Clean Audit Opinion on January 31, 2003.	1/31/2003		X			X
2	2		6.4.1			Develop and execute an FY03 plan to get off the GAO High Risk List	Paulsen	COO	FSA has been designated as a high risk program since 1990 when the GAO first identified programs that were “ high risk” due to vulnerabilities to fraud, waste, abuse and mismanagement. The issues that GAO raised were: inadequacy of financial management systems, lack of business systems continuity plan, high default costs, vulnerabilities to student fraud, and issues related to the appropriate forms of school monitoring. On August 1, 2001, GAO provided further clarification around three central issues: i) improved financial management and internal controls, ii) efficient and effective integrated information systems that provide high quality service, and iii) maintain a balanced management approach that minimizes noncompliance and default rates while providing <u>widespread use of the program.</u>	Remove FSA from the GAO High Risk List by 9/30/03. FSA will document its plans to achieve this goal in the FY 2003 High Risk Plan which will be developed and shared with GAO, OMB and other internal stakeholders by 11/30/02. The FY 2003 High Risk Plan is an extract of the action/sub action items from the FSA FY2003 Performance Plan that are being undertaken by FSA to address the GAO High Risk items. This action item is intended to address FSA items only. Other Department-wide initiatives and/or corrective actions may be required to remove the Department from the GAO High Risk List.	9/30/2003	X	X	X	X	X
3	3	46	6.4.4	HR1		Reconcile FSA accounts to Department’s general ledger within 30 days after month-end close by 9/30/03	Bateman	CFO	FSA needs to improve its financial management internal controls by being able to effectively reconcile all FSA accounts to the Department of Education's general ledger in a timely manner. This action contributes greatly to our goal of achieving a clean audit opinion.	Reduce the number of days FSA accounts are reconciled to the Department's General Ledger from 45 days in FY02 to 30 days by FY 03. This goal will be achieved in two phases: 1. All Standard General Ledger (SGL) accounts for FSA appropriations will be reconciled with immaterial differences by the 40th day after the month-end close by March 30, 2003. 2. All SGL accounts for FSA appropriations are reconciled with immaterial differences by the 30th day after the month-end close by September 30, 2003.	9/30/2003	X	X	X		

FSA 2003 ANNUAL PLAN

Prior ity #	FSA ID No.	MIT No.	Dept Stg Plan No.	High Risk Plan	Sys Int Plan	ACTION ITEMS	RESP PERS	RESP AREA	BUSINESS NEED	SUCCESS MEASURES	COMPLETION DATE	Objectives				
												1- FSA Systems Integration and Technology Solution Initiatives	2 - Improve Program Integrity	3 - Reduce Cost	4 - Improve Human Capital Management	5 - Improve Products and Services
4	4	22		HR1		Implement the proper accounting structure and appropriate internal controls in all systems impacted by FSA's system integration and technology solution initiatives	Bateman	CFO	CFO must apply the proper accounting treatment and appropriate internal controls to any new FSA system that generates financial transactions. To ensure this is achieved, a review board comprised of program operations and financial management experts should be established to examine the financial management structure and identify and resolve deficiencies.	Establish the FSA Accounting Review Board (ARB) by 12/31/02. Demonstrate specific results in the account validation of FSA and the Department's accounting, such as compliance w/Federal Accounting Standards Advisory Board (FASAB) standards, GAAP and other federal guidelines for any FSA financial system change. No additional internal control issues will be identified by GAO or OIG.	9/30/2003	X	X	X		X
5	5	17		HR1		Develop trial balance capability for each operating partner (ACS, Raytheon, EDS, COD) to facilitate and expedite the reconciliation process	Bateman	CFO	Currently, systems are not uniform in design, reporting software, and configuration. This diminishes FSA's ability to retrieve data, report financial management information, and reconcile accounts and provide information to the auditors.	Develop trial balance reporting capability for each of the operating partners by 9/30/03. DMCS complies with FMS subsidiary ledger reconciliation requirements by 9/30/03.	9/30/2003	X	X	X		X
6	6	19		HR1		Address material weaknesses and reportable conditions in audits	Bateman	CFO	We need to address weaknesses and conditions to ensure financial integrity, improved customer confidence, and improved data for management decision making.	FSA obtains a clean opinion and is removed from GAO High Risk List by 9/30/03, and has internal processes and controls in place to sustain a clean opinion and non-high risk status.	9/30/2003	X	X	X	X	X
7	7			HR1 / HR2	X	Implement Form 2000 enhancements needed since original deployment in October 2000	Hansen	Financial Partners	During the design of the initial Form 2000 deployment, certain functionality was not captured and is needed to ensure integrity of submissions, payments and reconciliation in electronic data exchange. Elimination of manual intervention steps and partial data capture in the data mart scorecards and reporting functions. Enable quality and high level of confidence financial evaluation ability. Integrate financial data and processing and enable electronic data exchange rather than manual submission processes which are still in place for corrections.	Successful testing, user acceptance and validation of enhancements by June 2003. Disaster recovery and continuity of service testing by June 2003. Augmented training and external training support by August 2003. Assessment of data and improved processing controls by August 2003. Deployment of full functionality by September 2003. Financial Partner data accuracy will be validated through on site reviews and ongoing metrics to achieve a 75% improvement in submission rates and reduce errors in system related edits by the 4th Quarter of 2003.	9/30/2003	X	X	X	X	X

FSA 2003 ANNUAL PLAN

Prior ity #	FSA ID No.	MIT No.	Dept Stg Plan No.	High Risk Plan	Sys Int Plan	ACTION ITEMS	RESP PERS	RESP AREA	BUSINESS NEED	SUCCESS MEASURES	COMPLETION DATE	Objectives				
												1- FSA Systems Integration and Technology Solution Initiatives	2 - Improve Program Integrity	3 - Reduce Cost	4 - Improve Human Capital Management	5 - Improve Products and Services
8	8		348	HR 2 / HR3.1	X	Determine the scope of the Debt Management Collection System (DMCS) reengineering	Douglas/ Phillips	Students	Current Debt Collection Service contract extension with Raytheon is expiring on 6/30/03 (will be extended to using 3 3-month extensions to 3/2004).	Conduct analyses and develop decision memorandum by 3/31/03. Decide to recompete with limited re-engineering or to fully re-engineer and redeploy the system by 3/31/03.	3/31/2003		X		X	X
9	9	49, 51	342, 231	HR3.2		Improve school's fund management, reconciliation, and close out processes	Jacks / Holman	Schools	The interfaces and operational procedures between COD/FMS/GAPS need to be reviewed and improved. Once funds have been received at schools they need to be accounted for quickly and efficiently.	Process 90% of the fund requests so that funds will be available to schools in GAPS within 36 hours from the time COD receives records. (This is a joint school/CFO measure). 80% of funds will be substantiated by student records within 30 days of drawdown date.	9/30/2003	X	X	X		X
10	10			HR1 / HR2	X	Stabilize the Lender Application Process (LAP) and Lender Reporting System(LaRS)	Hansen	Financial Partners	Integration of all financial processes in a consolidated system and elimination of manual intervention to edit, verify, and authorize processing and funding. Improve the correct mapping of human capital and skills to functional support. Elimination of contractor dependency for manual and key entry processing.	Acceptance and validation of one full quarterly actual submission by accounting, operations, financial management, oversight, and budget services by February 2003. Reconfiguration of the financial management group to support the operational and customer responsiveness needs of the new systems by December 2002. Retirement of the prior FFEL support and processing system at Raytheon by December 2002. Elimination of manual interventions to edit, verify and authorize processing funding by September 2003.	9/30/2003	X	X	X	X	X

FSA 2003 ANNUAL PLAN

Prior ity #	FSA ID No.	MIT No.	Dept Stg Plan No.	High Risk Plan	Sys Int Plan	ACTION ITEMS	RESP PERS	RESP AREA	BUSINESS NEED	SUCCESS MEASURES	COMPLETION DATE	Objectives				
												1- FSA Systems Integration and Technology Solution Initiatives	2 - Improve Program Integrity	3 - Reduce Cost	4 - Improve Human Capital Management	5 - Improve Products and Services
11	11	62	130, 341, 351, 359	HR3.2		Enhance Program Monitoring and Oversight	Douglas/ Hansen/ Jacks / Saunders / Edwards / Phillips / Reynolds / Beavers / Teresa	Students/ Schools/ Financial Partners/ Analysis / SFAU	To satisfy a major requirement of the High Risk Plan, FSA must demonstrate that it pursues the appropriate balance of school monitoring and technical assistance. In addition, reducing overawards is a critical component of the President's Management Agenda. Further, as part of the Secretary's effort to improve accountability, all Department Offices are required to document the manner in which they monitor program aid recipients.	Develop and deliver Monitoring Plan by 12/31/02. Define and utilize compliance metrics to measure compliance/oversight activities, including the effectiveness of technical assistance by 12/31/02. Resolve 95% of the compliance audits within six months of receipt to meet OMB A-50 requirements (Schools & Financial Partners channels). Improve Default Recovery Rate from 7.6% to 8.0% by the end of FY 03. Reduce the amount of Pell Grant award error from 3.3% to 3.1%. Successful implementation of Data Mart Phase III by 7/31/03. Develop and implement plan to identify, measure and monitor applicant and payment error by 6/30/03. Plan, design and build a "100 Series" of basic training for schools by 9/30/03.	9/30/2003	X	X	X	X	X
12	12			HR1		Develop and implement proper internal controls to insure the acquisition process supports the business needs and success of FSA	Bradfield	Contracts & Acquistns	Currently FSA lacks an adequate contract management approach. This has consistently resulted in contracts not accomplishing program/business case expectations fully. Additionally, inadequate contract management has resulted in findings by GAO and auditors of a lack of internal controls.	Document internal controls and procedures by 5/30/03. Have a comprehensive Procurement Plan by 8/1/03. Develop Acquisition human resources by 9/30/03. Have performance and property monitoring process by 9/30/03.	9/30/2003	X	X	X	X	X
13	13					Create an Enterprise-level dashboard of productivity and performance metrics	Reynolds	Analysis	FSA, as a Performance Based Organization, must document its productivity and performance trends. Currently, there is neither an Enterprise-wide set of performance metrics nor an integrated reporting mechanism for assessing productivity.	Create a dashboard of operational and other performance measurements to provide insight to FSA management on productivity and performance at the aggregate and service delivery level by August 31, 2003.	8/31/2003		X	X		X

FSA 2003 ANNUAL PLAN

Prior ity #	FSA ID No.	MIT No.	Dept Stg Plan No.	High Risk Plan	Sys Int Plan	ACTION ITEMS	RESP PERS	RESP AREA	BUSINESS NEED	SUCCESS MEASURES	COMPLETION DATE	Objectives				
												1- FSA Systems Integration and Technology Solution Initiatives	2 - Improve Program Integrity	3 - Reduce Cost	4 - Improve Human Capital Management	5 - Improve Products and Services
14	14	197, 202, 203, 220, 225		HR3.3		Develop and/or implement workforce alignment (business processes, skills, etc.) initiatives and actions to support FSA performance goals and One-ED objectives	Teresa/ Thomas/ Douglas/ Jacks/ Hansen/ Schubert/ Bateman	HR	One of the GAO High Risk items is the management of the federal human capital. To ensure that the government can employ staff with the skills to manage rapidly changing technologies and is adequately skilled to replace those retiring, ED has developed the "One ED" initiative. This initiative will help the Department obtain the skill sets it needs to manage in the 21st century.	Review and update FSA Skills Catalog by 6/30/03. Align FSA's manager excellence program with ED's manager excellence goals by 9/30/03. Create a workforce transformation strategy for the student channel business processes by 9/30/03. Develop learning tracks for case management teams by 6/30/03. Establish career counseling opportunities for employees by 6/30/03. Ensure functions, unit configuration, and work responsibilities are aligned with new system integration and technology solution by 9/30/03.	9/30/2003	X	X	X	X	X
15	15			HR2	X	Implement integrated project management oversight for FSA's system integration initiatives	Fare/ Jacks	CIO/ Schools	A project management office is required to ensure that there is overarching leadership, direction setting and contract management for the modernization and reintegration activities.	Create an internal project management support function within FSA by 12/31/02. All system integration initiatives identified in FY 2003 Performance Plan will be delivered in accordance with the established project plans and milestones for each initiative. Finalize Integration Group by 1/15/03.	1/31/2003	X	X		X	
16	16	90, 96		HR2	X	Define an enterprise-wide data strategy and high-level implementation approach that addresses the business flow of data across the enterprise, architecture, primary ownership, standards, management, access methods, and quality	Schubert/ Douglas/ Jacks/ Hansen/ Bateman	Schools/ Students/ Financial Partners/ CIO/CFO	We need a systematic and integrated way of looking at the entirety of our data in order to be able to make informed decisions and improve program integrity within FSA. FSA can improve program compliance, program monitoring, and program integrity with a consistent and integrated business intelligence infrastructure.	Establish a cross-functional project team by 12/31/02. Deliver a statement of strategic focus by 1/31/03. Deliver an enterprise-wide data strategy by 04/30/03. Develop business requirements by 03/31/03. Develop a data quality process by 06/30/03. Develop an XML Technical Architecture Framework by 03/31/03. Develop enterprise vision and strategy for data warehouse and data marts by 06/30/03. Develop technical standards, conventions, and data management guidelines by 09/30/03.	11/17/2003	X	X	X		X
17	17			HR2	X	Analyze Personal Identification Number (PIN) issues related to enterprise wide management/architecture strategy	Douglas/ Saunders	Students		Recommend Personal Identification Number (PIN) solution by 6/30/03. Develop PIN implementation plan by 9/30/03.	9/30/2003	X				X

FSA 2003 ANNUAL PLAN

Prior ity #	FSA ID No.	MIT No.	Dept Stg Plan No.	High Risk Plan	Sys Int Plan	ACTION ITEMS	RESP PERS	RESP AREA	BUSINESS NEED	SUCCESS MEASURES	COMPLETION DATE	Objectives				
												1- FSA Systems Integration and Technology Solution Initiatives	2 - Improve Program Integrity	3 - Reduce Cost	4 - Improve Human Capital Management	5 - Improve Products and Services
18	18	93		HR1		Create an overall FSA integrated security and privacy architecture	Schubert	CIO	Each FSA project creates security and privacy protections anew, with cross-fertilization limited to the technical understanding of the personnel working on the development effort. Conflicts between cost savings and security/privacy are not explicitly considered.	Agreement on a security and privacy architecture/standards document, including review and approval by the Architecture Working Group by March 2003. Implementation of one or more proof-of-concept security services as part of the Integrated Technical Architecture by end of FY03.	9/30/2003	X	X	X		X